

Based on our answers to the following questions, you are exposed to the following Fraud Risk:

1

Question and Answer:

Question: Payment mode accepted (Cash, Card, Cheque, Transfer)

Answer: YES – Exposed (Payment Fraud)

Payment Fraud: A payment instrument (or information from a payment instrument) has been used to accomplish a transaction that has not been approved by the rightful account holder.

You are exposed to payment fraud because payment is involved in your activities

- I. Cash: A counterfeit or bad currency can be used to make purchase
- II. Cheque: A DUD cheque or fake cheque could be used to carry
- III. Transfer: Transfer could be made from a fraudulent account
- IV. Card: Stolen card could be used to consummate transactions

2.

Questions and Answers:

Question: Do you refund to a 3rd party account?

Answer: YES – Exposed (Identity Fraud)

Question: For orders above normal, do you request for KYC documents (ID etc)?

Answer: NO – Exposed (Identity fraud)

Question: For multiple orders per day do you validate such transactions?

Answer: NO – Exposed (Identity fraud)

Question: Do you confirm billing and shipping address for huge orders?

Answer: NO – Exposed (Identity fraud)

Identity fraud: which happens when fraudulently obtained personal information is used to make payments, open new accounts. This is the actual exploitation of information for financial benefit.

You are exposed to Identity fraud because:

- I. You allow refund to a 3rd party account
- II. You do not require for KYC (Know Your Customer) documents for orders above normal.
- III. You do not validate multiple orders to be sure, it is same customer making the requests.
- IV. Shipping and Billing address are not confirmed for huge orders or unusual request
- V. You do not validate or update customer records or information, there could have been changes since customer open their profile with your business

3.

Questions and Answers:

Question: Do you accept Email Orders

Answer: YES (Triangulation Fraud)

Question: Do you have a functional website?

Answer: YES – Exposed (Triangulation Fraud)

Question: Do you have limit on product order per day?

Answer: NO – Exposed (Triangulation Fraud)

Triangulation fraud: Triangulation fraud occurs when cybercriminals create a phony or imitation website and lure customers in with discounted goods. These bogus websites may occasionally appear in advertisements or may be delivered to a user's email address in a phishing attempt. The problem is that these products

either don't exist at all or, more likely, are never supplied. If the website is a fake, it also hurts the reputation of the real, genuine business.

You are exposed to Triangulation fraud because:

- I. You have a functional website
- II. You allow email orders, this could allow phishing mail which will give fraudsters access to your website which may result into hacking or cloning of your webpage.

4.

Questions and Answers:

Question: Do you have a functional website?

Answer: YES – Exposed (Clean Fraud)

Question: Do you have limit on product order per day?

Answer: NO – Exposed (Clean Fraud)

Question: Do you have valid and updated customer information?

Answer: NO – Exposed (Clean fraud)

Clean fraud: Clean fraud describes fraudulent operations that look like real transactions. This entails pretending to be the cardholder by utilizing stolen credit card information. Fraudsters can obtain these details by tricking account holders into buying something on a phony website, listening in on communications between parties to a transaction, or even by purchasing them on the dark web, which can only be accessed by using specific browsers

You are exposed to Clean fraud because:

- I. You have a functional website
- II. You do not have limit on product order per day
- III. You do not have updated customer information.

5.

Questions and Answers:

Question: Do you have a refund policy in place?

Answer: NO – Exposed (Refund fraud)

Question: Do you refund to a 3rd party account?

Answer: YES – Exposed (Refund fraud)

Refund Fraud occurs when a customer who uses his or her own credit card to make an online purchase, receives the products or services, and then submits a chargeback request through the credit card company is said to be engaging in refund fraud. Either they utilize the thing and then return it, or they dispute the online order but do not send back the item.

You are exposed to Refund fraud because:

- I. No strict refund policy in place
- II. Refund is allowed into a 3rd party account